



CPA & CONSULTING
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JEFFERSON YOUTH FOUNDATION, INC.

Independent Auditor's Report and Financial Statements For the Fiscal Year Ended June 30, 2008

Deemer CPA and Consulting Services, LLC

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/21/09

Jefferson Youth Foundation, Inc.
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Independent Auditor's Report

To the Board of Directors of Jefferson Youth Foundation, Inc.:

I have audited the accompanying statement of financial position of Jefferson Youth Foundation, Inc. (a nonprofit organization) as of June 30, 2008, and the related statements of activities and cash flows for the fiscal year then ended. These financial statements are the responsibility of Jefferson Youth Foundation, Inc. management. My responsibility is to express an opinion of these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jefferson Youth Foundation, Inc. and the results of operations and its cash flows for the fiscal year then ended June 30, 2008, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated December 1, 2008, on my consideration of Jefferson Youth Foundation's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the financial statements of Jefferson Youth Foundation, Inc. taken as a whole. The schedule of functional expenses is presented on page 9 for purposes of additional analysis and is not a required part of the financial statements of the organization. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Deemer CPA and Consulting Services, LLC
New Orleans, Louisiana
December 1, 2008

Jefferson Youth Foundation, Inc.
Statement of Financial Position
As of June 30, 2008

Assets

Cash	\$ 47,044
Grant Receivable	<u>151,872</u>
Total Assets	<u>\$ 198,916</u>

Liabilities and Net Assets

Accounts Payable	\$ -
Accrued Salaries & Benefits	64,428
Payroll Tax Liabilities	<u>803</u>
Total Liabilities	65,231

Net Assets

Unrestricted	<u>133,685</u>
Total Net Assets	<u>133,685</u>
Total Liabilities and Net Assets	<u>\$ 198,916</u>

The accompanying notes are an integral part of these financial statements

Jefferson Youth Foundation, Inc.
Statement of Activities
For the Fiscal Year Ended June 30, 2008

	<u>Unrestricted</u>
Revenues	
Grant revenue	\$ 334,714
In-kind Donations	26,481
Other	1,428
Interest	87
Registration fees	<u>7,670</u>
Total revenues	<u>370,380</u>
Expenses	
Program Services	\$ 293,630
Support Services	<u>52,477</u>
Total Expenses	<u>346,107</u>
Change in Net Assets	\$ 24,273
Net Assets At Beginning Of Year	<u>109,412</u>
Net Assets At End Of Year	<u><u>\$ 133,685</u></u>

The accompanying notes are an integral part of these financial statements.

Jefferson Youth Foundation, Inc.
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2008

Cash Flows From Operating Activities:

Changes in Net Assets	\$ 24,273
Adjustments to Reconcile Net Revenues over Expenditures to Net Cash Provided by Operating Activities	
Changes in Operating Assets and Liabilities	
Grant Receivable	(54,215)
Accounts Payable	(13,772)
Accrued Salaries and Benefits	39,457
Payroll Tax Liabilities	<u>(7,130)</u>
Net Cash Provided by Operating Activities	(11,387)

Cash Flows From Investing Activities:

Net Cash Provided by Investing Activities	0
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Cash Flows From Financing Activities:

Net Cash Provided by Financing Activities	0
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Net Cash Increase for Period	(11,387)
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Cash, At Beginning of Period July 1, 2007	<u>58,431</u>
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Cash, At End of Period June 30, 2008	<u><u>\$ 47,044</u></u>
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The accompanying notes are an integral part of these financial statements.

Jefferson Youth Foundation, Inc.
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

1. Summary of Significant Accounting Principles

General - Jefferson Youth Foundation, Inc. is a non-profit agency with a mission to provide students with educational, tutorial, cultural and health activities. The agency is committed to assisting local educational institutions in increasing overall academic performance for its program participants. The services are provided through the Advent Program, which is an after school program and summer camp.

Basis of Accounting - Jefferson Youth Foundation, Inc.'s financial statements are prepared on the accrual basis of accounting, whereby revenue is recorded when earned and expenses are recorded when incurred.

Property and Equipment - Improvements which significantly extend the useful life of an asset and purchases of equipment are capitalized. The straight line method of depreciation is used for the assets owned by Jefferson Youth Foundation, Inc. The estimated useful lives of these assets range from 3 to 40 years.

Income Taxes - Jefferson Youth Foundation, Inc. has been determined to be tax exempt under Section 501 (c) 3 of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

Cash - Cash is comprised of cash on hand and in banks.

2. Net Assets

A description of the three types of Net Assets categories is described below:

Unrestricted net assets are comprised of funds without donor-imposed restrictions. The revenues received by Jefferson Youth Foundation, Inc. and expenses incurred are included in this category.

Temporarily restricted net assets include income, gifts, and contributions which have temporary restrictions that have not been met.

Permanently restricted net assets include income, gifts, and contributions which have donor-imposed restrictions to be invested in perpetuity and only the income from those investments can be made available for program operations.

As of June 30, 2008, Jefferson Youth Foundation, Inc. had unrestricted net assets, however there were no temporarily or permanently restricted net assets.

3. Grants Receivable

As of June 30, 2008 grants receivable consists of the following:

State Department of Education – TANF	\$ 129,620
The Louisiana Children’s Trust Fund – Positive Alternatives Parent Support Program	10,000
Tobacco Free Living	<u>12,252</u>
Total Grants Receivable	\$ <u>151,872</u>

4. Grant Revenue

Grant revenue consists of the following for the fiscal year of July 1, 2007 through June 30, 2008:

State Department of Education – TANF	\$ 43,435
The Louisiana Children’s Trust Fund – Positive	10,000
Arts Council of New Orleans	5,355
21 ST Century CCLC	234,674
Unified Summer Grant	26,000
Various Private Foundations	<u>15,250</u>
Total Grant Revenue	\$ <u>334,714</u>

5. Economic Dependency

Jefferson Youth Foundation, Inc. receives its funding from federal, state, and local grants. The continuance of this program is dependent upon the agency’s ability to gain renewal of contracts and grants as well as to obtain new funding.

6. In-Kind Donations

Jefferson Youth Foundation, Inc. is housed at Ames Elementary School which is the property of the Jefferson Parish Public School System. The School System provides the space rent-free for the purpose of operating the program. The value of occupying this space is estimated at \$26,481. The In-Kind Donation is recorded as revenue and has a corresponding expense.

SUPPLEMENTAL INFORMATION

Jefferson Youth Foundation, Inc.
Schedule of Functional Expenses
For the Fiscal Year Ended June 30, 2008

	Program Services	Support Services	Total
Payroll Expenses	\$ 175,886	\$ 45,688	\$ 221,574
Fringe Benefits	12,445	0	12,445
Contractual Services	30,807	4,250	35,057
Equipment	-	2,250	2,250
Telephone	2,203	0	2,203
Supplies	19,250	0	19,250
Insurance	6,763	0	6,763
Travel	2,092	0	2,092
Workshops	10,807	0	10,807
Field Trips	4,997	0	4,997
In-Kind Donations -Rent	26,481	0	26,481
Miscellaneous	1,899	289	2,188
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Total Expenses	\$ 293,630	\$ 52,477	\$ 346,107
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See Independent Auditor's Report.



CPA & CONSULTING
SERVICES, LLC

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees of
Jefferson Youth Foundation, Inc.

I have audited the financial statements of Jefferson Youth Foundation, Inc. (a nonprofit organization) as of and for the year ended June 30, 2008, and have issued my report thereon dated December 1, 2008. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Jefferson Youth Foundation, Inc.'s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Jefferson Youth Foundation's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jefferson Youth Foundation's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

I noted certain matters that I reported to management of Jefferson Youth Foundation, Inc. in a separate letter dated December 1, 2008.

This report is intended solely for the information and use of management, State of Louisiana Legislative Auditor, Board of Trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Deemer CPA and Consulting Services, LLC

New Orleans, Louisiana
December 1, 2008

Jefferson Youth Foundation, Inc.
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008

There are no current year findings or questioned costs.

Jefferson Youth Foundation, Inc.
Status of Prior Year Findings
For the Fiscal Year Ended June 30, 2008.

There were no prior year findings and/or questioned costs.

December 1, 2008

To the Senior Management and
The Board of Directors of
Jefferson Youth Foundation, Inc.

In planning and performing my audit of the financial statements of Jefferson Youth Foundation, Inc. for the year ended June 30, 2008, I considered the agency's internal control in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during my audit, I became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect my report dated December 1, 2008, on the financial statements of Jefferson Youth Foundation, Inc.

I will review the status of these comments during my next audit engagement. I will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. My comments are summarized as follows:

Organizational Structure

The size of the agency's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the Board of Directors remain involved in the financial affairs of the agency to provide oversight and independent review functions.

Operational Budget

Although it was noted that the agency has formulated budgets for individual funding sources, there should be an overall operational budget. An overall operational budget will be critical in planning for the repayment of outstanding debt and maintaining current operations.

Stale Dated Checks

Bank reconciliations were performed however those reconciliations include stale dated checks. These checks should be researched and written off where appropriate.

I wish to thank the Executive Director and her staff for their support and assistance during my audit.

This report is intended solely for the information and use of the Board of Directors, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Deemer CPA and Consulting Services, LLC
Deemer CPA and Consulting Services, LLC

JEFFERSON YOUTH FOUNDATION, INC.
P.O. Box 184
Marrero, LA 70073

December 3, 2008

Deemer CPA & Consulting Services, LLC
4335 Werner Drive
New Orleans, LA 70126

This communication serves as the reply to the management letter addressed to Senior Management and The Board of Directors of Jefferson Youth Foundation, Inc., in reference to the following underlined issues:

Organizational Structure: Jefferson Youth Foundation's accounting and administrative staff size is restricted due to the fact that the majority of the nonprofit organization's funding comes from federal, state, local and private grants that do not fund administrative duties or functions in excess of 10% of the total grant expenditures. However, the organization's current resources are directed, monitored and measured continually by standard procedures approved by an active governing board, and fiscal and programmatic oversight by funding partners. The board will continue to maintain a close and firm oversight of program operations to ensure fiscal accountability.

Operational Budget: The organization's operations are driven by outcomes that are directly aligned with the objectives of each individual funding source. As the outcomes of each of these grants vary, so too do the individual budgets that contribute to the organization's operations. Since any additional fees from clients are insignificant, there is no critical need for an overall budget.

Stale Dated Checks: The organization has instructed the program director and the certified public accountant (contractor) to research, identify, and write off all stale dated checks that are no longer applicable.

Should you require any additional information, please do not hesitate to contact us at the address above, by phone at 504-347-2510, or by email at cmypoetry@yahoo.com.

Respectfully,

JEFFERSON YOUTH FOUNDATION, INC.

Audrey E. Warren mpc

Audrey E. Warren
Executive Director